



A SCHEDULE VER. 6.2

NW393_Mamusa Local Municipality Budget 2018/19-2020/21 MTREF

Table of contents	Page
PART 1 – ANNUAL BUDGET	
1.1 MAYOR’S REPORT & SPEECH	4
1.2 EXECUTIVE SUMMARY	7
1.3 OPERATION REVENUE FRAMEWORK	11
1.4 OPERATION EXPENDITURE FRAMEWORK	14
1.5 CAPITAL EXPENDITURE	16
1.6 CASHFLOW STATEMENT	18
1.7 ANNUAL BUDGET TABLES (A1 SCHEDULE)	19
PART 2 – SUPPORTING DOCUMENTATION	
2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS	26
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN	27
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS	29
2.4 OVERVIEW ON FUNDING THE BUDGET	31
2.5 DISCLOSURE OF SALARIES; ALLOWANCES AND OTHER BENEFITS	32
2.6 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW	33
2.7 OVERVIEW OF BUDGET RELATED POLICIES	34
2.8 OVERVIEW OF BUDGET ASSUMPTIONS	35
2.9 EXPENDITURE ON GRANTS AND RECONCILIATION OF UNSPENT FUNDS	36
2.10 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY	37
2.11 CAPITAL EXPENDITURE DETAILS	38
2.12 ANNUAL BUDGETS AND SDBIP’S – INTERNAL DEPARTMENTS	39

2.13	CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS	40
2.14	ANNUAL BUDGETS OF MUNICIPAL ENTITIES ATTACHED TO THE MUNICIPALITIES ANNUAL BUDGET	40
2.15	OTHER SUPPORTING DOCUMENTS	40
2.16	MUNICIPAL MANAGER'S QUALITY CERTIFICATE	41

PART 1 – ANNUAL BUDGET

1.1 Mayor's Report

Purpose

- 1.1.1 The purpose of the item is for is to present to the 2018/19 – 2020/21 MTREF budget to the committee for review before tabling to council for approval.

Legislative Background

MFMA Section 24 – Approval of the annual budget

- (1) The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.
- (2) An annual budget –
 - a. Must be approved before the start of the budget year;
 - b. Is approved by the adoption by the council of a resolution referred to in section 17 (3)(a)(i); and
 - c. Must be approved together with the adoption of resolutions as may be necessary –
 - i. Imposing any municipal tax for the budget year;
 - ii. Setting any municipal tariffs for the budget year;
 - iii. Approving measurable performance objectives for revenue from each source and for each vote in the budget;
 - iv. Approving any changes to the municipality's integrated development plan; and
 - v. Approving any changes to the municipality's budget related policies.
- (3) The accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant provincial treasury.

MFMA Section 25 – Failure to approve the budget before the start of the budget year.

- (1) If a municipal council fails to approve an annual budget, including revenue raising measures necessary to give effect to the budget, the council must reconsider the budget and again vote on the budget, or on an amended version thereof, within seven days of the council meeting that failed to approve the budget.
- (2) The process provided for in subsection (1) must be repeated until a budget, including revenue raising measures necessary to give effect to the budget, is approved.
- (3) If a municipality has not approved an annual budget, including revenue raising measures necessary to give effect to the budget, by the first day of the budget year, the mayor immediately comply with section 55, which states;

That the mayor must immediately report the matter to the MEC for local government in the province, and, may recommend to the MEC an appropriate provincial intervention in terms of section 139 of the Constitution.

MFMA Section 26 – Consequences of failure to approve the budget before start of the budget year.

- (1) If by the start of the budget year a municipal council has not approved an annual budget or any revenue raising measures necessary to give effect to the budget, the provincial executive of the relevant province must intervene in the municipality in terms of section 139 (4) of the Constitution by taking any appropriate steps to ensure that the budget or those revenue raising measures are approved, including dissolving the council and –
 - a. Appointing an administrator until a newly elected council has been declared elected; and
 - b. Approving a temporary budget or revenue raising measure to provide for the continued functioning of the municipality.
- (2) Sections 34 (3) and (4) and 35 of the Municipal Structures Act apply where provincial executive dissolves a municipal council.
- (3) When approving a temporary budget for a municipality in terms of subsection (1) (b), the provincial executive is not bound by any provision relating to the budget process applicable to a municipality in terms of this Act or other legislation. Such a budget must, after the intervention has ended, be replaced by a budget approved by a newly elected council, provided that the provisions of this chapter relating to annual budgets are substantially complied with in line with any revised time frames approved by the MEC for finance in the province.
- (4) Until a budget for the municipality is approved in terms of subsection (1) funds for the requirements of the municipality may, with the approval of the MEC for finance in the province, be withdrawn from the municipality's bank accounts in terms of subsection (5)
- (5) Funds withdrawn from a municipality's bank accounts in terms of subsection (4) –
 - a. May be used only to defray current and capital expenditure in connection with votes for which funds were appropriated in the approved budget for the previous financial year; and
 - b. May not –
 - i. During any month, exceed eight percent of the total amount appropriated in that approved budget for the current expenditure, which percentage must be scaled down proportionately if revenue flows are not at least at the same level as the previous financial year; and
 - ii. Exceed the amount actually available.

- (6) The funds provided for in subsection (4) are not additional to funds appropriated for the budget year, and any funds withdrawn in terms of subsection (5) must be regarded as forming part of the funds appropriated in a subsequently approved annual budget for the budget year.

MFMA Section 17

According to section 17 of the Municipal Finance Management Act, (Act 56 of 2003) and Municipal Budget Reporting Regulation (MBRR), the 2018/19 draft annual budget must include the following information:

- Budget related policies that were amended
- Budgeted Financial Performance (revenue and expenditure by standard classification)
- Budgeted Financial Performance (revenue and expenditure by municipal vote) ;
- Budgeted Financial Performance (revenue by source and expenditure by type); and
- Single-year capital appropriations by municipal vote and standard classification and associated funding by source.
- Budgeted Financial Position;
- Budgeted Cash Flows;
- Cash backed reserves and accumulated surplus reconciliation;
- Asset management; and
- Basic service delivery measurement.

RECOMMENDATION

- That the council adopts the 2018/19 – 2020/21 MTREF budget as per legislation.

1.2 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programs so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items. Key areas where savings needs be implemented on telephone and internet usage, printing, workshops, local travel, accommodation, overtimes, fuel, and catering.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

Though an IDP is a five year strategic document of council, municipalities should note that when a new council takes office after each local government election, the norm has been that the first year of such a new council is primarily confined to implementing the last adopted IDP. Subsequent to this, it is normally in the second year of the new council where the newly elected council will adopt its new and thoroughly interrogated and consulted IDP. This process mostly leads to an overlap of the last year of outgoing council into the new council. It is each municipal council's prerogative to decide when to approve its annual budget.

National Treasury's MFMA Circular No. 89 and 91 were used to guide the compilation of the 2018/19 MTREF.

The main challenges experienced during the compilation of the 2018/19 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;

- The increased cost of bulk electricity, which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2018/19 MTREF process; and

The following budget principles and guidelines directly informed the compilation of the 2018/19 MTREF:

- The 2017/18 Adjustment Budget priorities and targets, as well as the base line allocations contained in that Adjustment Budget were adopted as the upper limits for the new baselines for the 2018/19 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2018/19 MTREF

Choose name from list - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands										
<u>Financial Performance</u>										
Property rates	12 868	11 304	12 054	12 811	12 811	12 811	6 772	12 605	13 286	14 017
Service charges	56 352	53 801	52 698	46 580	46 580	46 580	14 497	55 572	55 954	59 440
Investment revenue	170	41	–	5	5	5	–	–	–	–
Transfers recognised - operational	53 672	63 731	56 265	52 242	52 242	52 242	–	56 169	60 348	63 883
Other own revenue	24 351	21 396	22 042	21 494	21 494	21 494	7 757	15 995	16 858	17 785
Total Revenue (excluding capital transfers and contributions)	147 412	150 274	143 059	133 132	133 132	133 132	29 026	140 341	146 447	155 125
Employee costs	45 155	52 331	49 550	50 965	50 965	50 965	44 234	68 213	79 780	85 221
Remuneration of councillors	4 561	4 739	6 685	5 875	5 875	5 875	–	6 470	6 923	7 408
Depreciation & asset impairment	26 595	23 942	20 846	26 816	26 816	26 816	26 816	21 325	22 972	24 731
Finance charges	2 682	3 469	8 749	2 000	2 000	2 000	–	300	300	300
Materials and bulk purchases	28 468	30 739	28 098	34 347	34 347	34 347	17 995	32 829	34 526	37 000
Transfers and grants	6 499	7 519	5 248	–	–	–	–	–	–	–
Other expenditure	63 205	78 153	40 032	61 429	61 429	61 429	43 822	51 762	48 580	48 706
Total Expenditure	177 165	200 892	159 207	181 432	181 432	181 432	132 866	180 900	193 081	203 366
Surplus/(Deficit)	(29 752)	(50 617)	(16 148)	(48 300)	(48 300)	(48 300)	(103 840)	(40 559)	(46 635)	(48 240)
Transfers and subsidies - capital (monetary allocation)	23 149	23 390	8 785	15 897	15 897	15 897	–	19 462	19 696	20 341
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(21 097)	(26 939)	(27 899)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(21 097)	(26 939)	(27 899)
<u>Capital expenditure & funds sources</u>										
Capital expenditure	22 197	35 388	16 931	15 897	15 897	15 897	–	27 711	24 398	24 583
Transfers recognised - capital	21 717	35 388	16 931	15 897	15 897	15 897	–	27 711	24 398	24 583
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	480	–	–	–	–	–	–	–	–	–
Total sources of capital funds	22 197	35 388	16 931	15 897	15 897	15 897	–	27 711	24 398	24 583
<u>Financial position</u>										
Total current assets	93 442	124 896	119 621	141 700	141 700	141 700	173 217	117 924	109 670	117 347
Total non current assets	383 285	395 395	387 431	399 789	399 789	399 789	388 810	386 031	414 343	443 348
Total current liabilities	88 085	120 081	134 470	83 696	83 696	83 696	118 710	118 710	128 245	137 222
Total non current liabilities	18 987	21 530	4 976	95 833	95 833	95 833	32 249	36 997	6 864	7 344
Community wealth/Equity	369 655	378 680	367 607	361 960	361 960	361 960	411 068	348 248	388 905	416 128
<u>Cash flows</u>										
Net cash from (used) operating	22 463	36 589	12 462	14 885	14 885	14 885	6 950	6 268	3 853	2 041
Net cash from (used) investing	(22 197)	(35 388)	(12 812)	(15 897)	(15 897)	(15 897)	(7 321)	(18 600)	–	–
Net cash from (used) financing	–	(465)	(209)	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	266	735	(558)	(1 012)	(1 012)	(1 012)	(929)	(13 261)	(9 409)	(7 368)
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	384	1 119	560	(10 000)	(10 000)	(10 000)	58 138	600	642	687
Application of cash and investments	56 852	59 841	73 260	53 690	53 690	53 690	(41 073)	68 137	87 645	93 753
Balance - surplus (shortfall)	(56 468)	(58 722)	(72 699)	(63 690)	(63 690)	(63 690)	99 211	(67 537)	(87 003)	(93 066)
<u>Asset management</u>										
Asset register summary (WDV)	383 285	393 782	360 894	399 788	399 788	399 788	–	420 577	443 709	468 113
Depreciation	(124)	(1 442)	(23 359)	–	–	–	–	21 878	22 972	24 731
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	5 375	–	–	6 000	6 000	6 000	–	6 312	6 659	7 025
<u>Free services</u>										
Cost of Free Basic Services provided	–	–	–	9 029	9 029	9 029	7 673	7 673	8 129	8 617
Revenue cost of free services provided	–	–	–	2 979	2 979	2 979	4 375	4 375	4 612	4 865
<u>Households below minimum service level</u>										
Water:	1	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	1	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	6	–	–	–	–	–	–	–	–	–

Operating Revenue

The Operating Revenue Budget of Council increased by R7.2 million to R140 million as compared with the 2017/18 budget. For the two outer years, operational revenue will increase by 4 percent 2018/19 and 6 per cent for 2019/20.

Main items are:

- Electricity revenue of R30 m
- Refuse revenue of R6.7 m
- Sanitation revenue of R11 m
- Water sales of R6.4 m
- Government grants of R56 m

Operating Expenditure

The operating expenditure budget decreased by 50 thousand to R180.9 million when compared 2017/18 adjustment budget of R181.4.

Main items are;

- Employee related cost of R68 m
- Councilor remuneration of R6.4 m
- Materials and Bulk purchases of R32.8m
- Other expenditure of R19.5 m

Non-cash items for depreciation and debt impairment have been included in the calculation of operational expenditure at amounts of R 21 325 million and R 27 482 respectively totaling R 48 807 million. Cash backed items for operational expenditure totals R 132 902 million.

Deficit

The budgeted deficit decreased by R11 million from R32 million (2017/18) to R21 million in the 2018/19 budget.

1.3 Operating Revenue Framework

For Mamusa Local to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality.

The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2018/19 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	12 868	11 304	12 054	12 811	12 811	12 811	6 772	12 605	13 286	14 017
Service charges - electricity revenue	2	28 522	29 953	31 614	29 369	29 369	29 369	11 363	31 378	30 454	32 537
Service charges - water revenue	2	11 611	7 705	5 815	5 972	5 972	5 972	(1 936)	6 447	6 796	7 169
Service charges - sanitation revenue	2	10 143	9 309	7 992	5 385	5 385	5 385	3 597	11 005	11 599	12 237
Service charges - refuse revenue	2	6 077	6 835	7 277	5 854	5 854	5 854	1 473	6 742	7 106	7 497
Service charges - other											
Rental of facilities and equipment		1 018	209	660	753	753	753		793	836	882
Interest earned - external investments		170	41		5	5	5				
Interest earned - outstanding debtors		14 087	15 580	9 577	16 228	16 228	16 228		10 332	10 890	11 489
Dividends received											
Fines, penalties and forfeits		301	672	361	373	373	373		393	414	437
Licences and permits		2 712	3 396	1 499	2 605	2 605	2 605		2 743	2 891	3 050
Agency services					100	100	100		105	111	117
Transfers and subsidies		53 672	63 731	56 265	52 242	52 242	52 242		56 169	60 348	63 883
Other revenue	2	6 234	1 539	7 885	1 435	1 435	1 435	7 757	1 629	1 716	1 811
Gains on disposal of PPE				2 060							
Total Revenue (excluding capital transfers and contributions)		147 412	150 274	143 059	133 132	133 132	133 132	29 026	140 341	146 447	155 125

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise 48% of the total revenue mix.

Property rates

Non-exchange budgeted revenue for property rates has decreased from R12.8 million to R12 605 million 2018/19 which is slight decrease when compared to 2017/18 financial year.

Electricity

The budgeted revenue for electricity has increased from R 29.3 million to R 31.3 million for 2018/19 financial year.

Water

The budgeted revenue for water has increased from R 5.9 million to R 6.4 million in 2018/19, in terms of percentage this is 8% increase when compared to 2017/18 financial year, the contributing factor is that the municipality experienced drought disaster for previous years and the municipality is recovering from the drought since the dam has sufficient volume of water.

Sanitation

The budgeted revenue for sanitation has increased from R5.3 million R11.5 million for 2018/19 financial year when compared to 2017/18, the contributing factor is that the municipality experienced drought disaster for previous years and the municipality is recovering from the drought since the dam has sufficient volume of water.

Licences and permits

The budgeted revenue for licences & permits has increased from R 2.6 million to R 2.7 million 2018/19 financial year, there is a R 138 thousand increase when compared to the 2017/18 financial year

Transfers Recognised

Revenue from operating grants is standing at R56 million. Grants from the District Municipality are not included in this amount.

Rental of facilities

The budgeted revenue of rental of facilities & equipment has increased from R 753 thousand to R793 thousand for 2018/19 financial year. This is the slight increase of 5% when compared to 2017/18 financial year, this is as a result in the additional revenue expected to be generated from renting out of farms for purposes of grazing.

Total Operating Revenue Budget

The total budgeted revenue is R140 million. There is slight increase of R 7 Million when compared to 2017/18 financial year and it's more realistic as it is informed by current actual performance.

It's against this background that the municipality has embarked in a campaign to improve on revenue collection. The re-introduction of "Duela" for better services campaign seeks to reach a wider range of our affording constituents and of course also make those non-affording members of the need to

consume service at the rate not exceeding their limit. This campaign seeks to improve the collection rate of the municipality on services

The culture of non-payment or rather the resistance to pay for services is a National crisis hence the sudden Eskom crisis. Mamusa Local Municipality is no exception in this regard. Moreover the decaying network infrastructure also contributes to poor services. Poor service results in non-payment by our customers.

1.4 Operating Expenditure Framework

The Municipality's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- Budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital program is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of ***no project plan no budget***. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure):

Table 3 Summary of operating expenditure by standard classification item

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure By Type											
Employee related costs	2	45 155	52 331	49 550	50 965	50 965	50 965	44 234	68 213	79 780	85 221
Remuneration of councillors		4 561	4 739	6 685	5 875	5 875	5 875		6 470	6 923	7 408
Debt impairment	3	9 682	20 264	3 185	21 500	21 500	21 500		27 482	27 482	27 482
Depreciation & asset impairment	2	26 595	23 942	20 846	26 816	26 816	26 816	26 816	21 325	22 972	24 731
Finance charges		2 682	3 469	8 749	2 000	2 000	2 000		300	300	300
Bulk purchases	2	23 093	25 204	23 875	27 472	27 472	27 472	17 995	28 928	30 953	33 120
Other materials	8	5 375	5 536	4 222	6 875	6 875	6 875		3 901	3 573	3 880
Contracted services		2 217	2 756	3 166	28 713	28 713	28 713	4 743	10 089	12 027	12 335
Transfers and subsidies		6 499	7 519	5 248	-	-	-	-	-	-	-
Other expenditure	4, 5	51 305	55 133	33 681	11 216	11 216	11 216	39 079	14 191	9 071	8 889
Loss on disposal of PPE											
Total Expenditure		177 165	200 892	159 207	181 432	181 432	181 432	132 866	180 900	193 081	203 366

Employee related costs

The budgeted allocation for employee related costs for the 2018/19 financial year totals R68 million, which equals 39 per cent of the total operating expenditure. The Salary and Wage Collective Agreement for the period 01 July 2015 to 30 June 2018 has come to an end. The process is under consultation; therefore, in the absence of other information from the South African Local Government Bargaining Council communication will be provided at a later stage.

Remuneration of councilors

The budget stands at R6.4 million. The cost associated with the remuneration of Councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

Other Materials / Repairs and Maintenance

In line with the Municipality's repairs and maintenance, the repairs and maintenance is projected at R3 million which is a decrease of 43.26% as compared to the adjusted budget. The areas that the municipality has prioritized are electricity, solid waste, community facilities as this are generating revenue. The other areas are roads and storm water and operational buildings. The reason for the significant decline is that is no maintenance plan in place and the municipality needs to develop the maintenance plan according to the ageing infrastructure assets. The municipality has also appointed the service provider to repair the vehicles and machinery and is budgeted under contracted services.

Depreciation and debt impairment (non – cash items)

Budgeted amount is for depreciation and debt impairment is R21 million and R 27 million respectively which totals R 48 million. Depreciation is widely considered a proxy for the measurement of the rate asset consumption and the municipality is using the straight-line method on asset depreciation.

Finance charges

The budgeted amount is R300 000 which is due to transaction fees on daily banking.

Bulk purchases

The budgeted amount is R29 million. These Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The Technical and Revenue departments are embarking on identifying those units that are lost through either by by-passing, theft of electricity or electrical faults to ensure that all the purchases made are accounted for.

Contracted services

Contracted services have a budgeted amount of R10 million. Contracted services have been identified as a cost saving area for the Municipality. As part of the compilation of the 2018/19 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. The expenditure on Audit fees has been correctly removed from this item.

Other expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. It has a budgeted an amount of R9 million. The municipality will make sure that all the non-priority expenditures are curbed to a minimum.

Total expenditure

The total budgeted expenditure amounts to R160 million. The budgeted amount has decreased from R181m to R160m 2018/19 financial year.

1.5 Capital expenditure

Capital projects

Total Capex has increased from R15.9 million to R 18.6 million in 2018/19 and it is fully grant funded. This amount is inclusive of R 15.5 million expected from MIG.

Other Assets

Other assets have been budgeted an amount of R 9 million for the 2018/19 financial year and these include construction of office building at R 7.5 million, construction and renovations of libraries at R 1 120 000, and other equipment at R 402 thousand

Total Capital Budget

The total amount budgeted on capex for the 2018/19 financial year is R 27 million which is an increase of R 12 million from current financial year's budget of R 15 million.

Table 4 Budgeted Capital Expenditure by Vote, Functional Classification, and funding

Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional											
Governance and administration		480	1 121	1 119	–	–	–	–	9 022	702	242
Executive and council			35								
Finance and administration		480	1 086	1 119					9 022	702	242
Internal audit											
Community and public safety		11 427	10 876	5 033	2 612	2 612	2 612	–	2 600	–	–
Community and social services		11 427	10 876	5 033	2 612	2 612	2 612		2 600	–	–
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		7 566	19 047	10 779	11 985	11 985	11 985	–	12 089	19 696	20 341
Planning and development			16								
Road transport		7 566	19 031	10 779	11 985	11 985	11 985		12 089	19 696	20 341
Environmental protection											
Trading services		2 724	4 344	–	1 300	1 300	1 300	–	4 000	4 000	4 000
Energy sources		1 631	4 344		1 300	1 300	1 300		4 000	4 000	4 000
Water management											
Waste water management											
Waste management		1 093									
Other											
Total Capital Expenditure - Functional	3	22 197	35 388	16 931	15 897	15 897	15 897	–	27 711	24 398	24 583
Funded by:											
National Government		21 717	35 388	11 898	15 897	15 897	15 897		27 711	24 398	24 583
Provincial Government				5 033							
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	21 717	35 388	16 931	15 897	15 897	15 897	–	27 711	24 398	24 583
Public contributions & donations	5										
Borrowing	6										
Internally generated funds		480									
Total Capital Funding	7	22 197	35 388	16 931	15 897	15 897	15 897	–	27 711	24 398	24 583

Funding sources for Capex

All budgeted capital projects will be funded by MIG and EEDSM. Currently the municipality is unable to contribute towards capital funding either through borrowings or internally generated funds.

1.6 Cash Flow Statement

The cash flow below indicates a net decrease of R12 million which is unfavorable. The current collection rate of 67% on revenue was used as a basis on calculating expected cash inflow from the budgeted revenue hence a significant decrease. This shows that should the municipality fail to collect 100% on the budgeted revenue, there will be a significant shortfall of cash to cover all budgeted expenses.

Table 5 Budgeted Cash Flows

Choose name from list - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		8 146	7 761	9 358	8 176	8 176	8 176	5 507	8 446	8 902	9 391
Service charges		31 746	31 396	31 396	38 375	38 375	38 375	19 473	37 233	39 547	42 023
Other revenue		13 284	23 892	11 823	5 083	5 083	5 083	41 328	5 658	5 963	6 291
Government - operating	1	42 073	54 475	56 136	52 242	52 242	52 242	42 844	54 922	59 016	62 478
Government - capital	1	26 529	19 736	11 541	15 897	15 897	15 897	7 575	19 462	19 696	20 341
Interest		14 256	849	9 577	2 877	2 877	2 877	147	6 928	7 302	7 703
Dividends									-	-	-
Payments											
Suppliers and employees		(111 080)	(98 083)	(108 621)	(106 564)	(106 564)	(106 564)	(109 923)	(125 880)	(135 922)	(145 437)
Finance charges		(2 491)	(3 437)	(8 749)	(1 200)	(1 200)	(1 200)		(500)	(650)	(750)
Transfers and Grants	1								-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		22 463	36 589	12 462	14 885	14 885	14 885	6 950	6 268	3 853	2 041
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE				4 119					-	-	-
Decrease (Increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(22 197)	(35 388)	(16 931)	(15 897)	(15 897)	(15 897)	(7 321)	(18 600)	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(22 197)	(35 388)	(12 812)	(15 897)	(15 897)	(15 897)	(7 321)	(18 600)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing			(465)	(209)					-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(465)	(209)	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		266	735	(558)	(1 012)	(1 012)	(1 012)	(371)	(12 332)	3 853	2 041
Cash/cash equivalents at the year begin:	2							(558)	(929)	(13 261)	(9 409)
Cash/cash equivalents at the year end:	2	266	735	(558)	(1 012)	(1 012)	(1 012)	(929)	(13 261)	(9 409)	(7 368)

a) A1 - Budget Summary

Choose name from list - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands										
Financial Performance										
Property rates	12 868	11 304	12 054	12 811	12 811	12 811	6 772	12 605	13 286	14 017
Service charges	56 352	53 801	52 698	46 580	46 580	46 580	14 497	55 572	55 954	59 440
Investment revenue	170	41	–	5	5	5	–	–	–	–
Transfers recognised - operational	53 672	63 731	56 265	52 242	52 242	52 242	–	56 169	60 348	63 883
Other own revenue	24 351	21 396	22 042	21 494	21 494	21 494	7 757	15 995	16 858	17 785
Total Revenue (excluding capital transfers and contributions)	147 412	150 274	143 059	133 132	133 132	133 132	29 026	140 341	146 447	155 125
Employee costs	45 155	52 331	49 550	50 965	50 965	50 965	44 234	68 213	79 780	85 221
Remuneration of councillors	4 561	4 739	6 685	5 875	5 875	5 875	–	6 470	6 923	7 408
Depreciation & asset impairment	26 595	23 942	20 846	26 816	26 816	26 816	26 816	21 325	22 972	24 731
Finance charges	2 682	3 469	8 749	2 000	2 000	2 000	–	300	300	300
Materials and bulk purchases	28 468	30 739	28 098	34 347	34 347	34 347	17 995	32 829	34 526	37 000
Transfers and grants	6 499	7 519	5 248	–	–	–	–	–	–	–
Other expenditure	63 205	78 153	40 032	61 429	61 429	61 429	43 822	47 002	44 368	43 989
Total Expenditure	177 165	200 892	159 207	181 432	181 432	181 432	132 866	176 140	188 869	198 649
Surplus/(Deficit)	(29 752)	(50 617)	(16 148)	(48 300)	(48 300)	(48 300)	(103 840)	(35 799)	(42 423)	(43 523)
Transfers and subsidies - capital (monetary allocation)	23 149	23 390	8 785	15 897	15 897	15 897	–	19 462	19 696	20 341
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(16 337)	(22 727)	(23 182)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(16 337)	(22 727)	(23 182)
Capital expenditure & funds sources										
Capital expenditure	22 197	35 388	16 931	15 897	15 897	15 897	–	18 689	23 696	24 341
Transfers recognised - capital	21 717	35 388	16 931	15 897	15 897	15 897	–	18 689	23 696	24 341
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	480	–	–	–	–	–	–	–	–	–
Total sources of capital funds	22 197	35 388	16 931	15 897	15 897	15 897	–	18 689	23 696	24 341
Financial position										
Total current assets	93 442	124 896	119 621	141 700	141 700	141 700	173 217	117 924	109 670	117 347
Total non current assets	383 285	395 395	387 431	399 789	399 789	399 789	388 810	386 031	414 343	443 348
Total current liabilities	88 085	120 081	134 470	83 696	83 696	83 696	118 710	118 710	128 245	137 222
Total non current liabilities	18 987	21 530	4 976	95 833	95 833	95 833	32 249	36 997	6 864	7 344
Community wealth/Equity	369 655	378 680	367 607	361 960	361 960	361 960	411 068	348 248	388 905	416 128
Cash flows										
Net cash from (used) operating	22 463	36 589	12 462	14 885	14 885	14 885	6 950	6 268	3 853	2 041
Net cash from (used) investing	(22 197)	(35 388)	(12 812)	(15 897)	(15 897)	(15 897)	(7 321)	(18 600)	–	–
Net cash from (used) financing	–	(465)	(209)	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	266	735	(558)	(1 012)	(1 012)	(1 012)	(929)	(13 261)	(9 409)	(7 368)
Cash backing/surplus reconciliation										
Cash and investments available	384	1 119	560	(10 000)	(10 000)	(10 000)	58 138	600	642	687
Application of cash and investments	56 852	59 841	73 260	53 690	53 690	53 690	(41 073)	68 137	87 645	93 753
Balance - surplus (shortfall)	(56 468)	(58 722)	(72 699)	(63 690)	(63 690)	(63 690)	99 211	(67 537)	(87 003)	(93 066)
Asset management										
Asset register summary (WDV)	383 285	393 782	360 894	399 788	399 788	399 788	–	420 577	443 709	468 113
Depreciation	(124)	(1 442)	(23 359)	–	–	–	–	21 878	22 972	24 731
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	5 375	–	–	6 000	6 000	6 000	–	6 312	6 659	7 025
Free services										
Cost of Free Basic Services provided	–	–	–	9 029	9 029	9 029	7 673	7 673	8 129	8 617
Revenue cost of free services provided	–	–	–	2 979	2 979	2 979	4 375	4 375	4 612	4 865
Households below minimum service level										
Water:	1	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	1	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	6	–	–	–	–	–	–	–	–	–

A4 – Budgeted Financial Performance (revenue by source and expenditure by type)

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	12 868	11 304	12 054	12 811	12 811	12 811	6 772	12 605	13 286	14 017
Service charges - electricity revenue	2	28 522	29 953	31 614	29 369	29 369	29 369	11 363	31 378	30 454	32 537
Service charges - water revenue	2	11 611	7 705	5 815	5 972	5 972	5 972	(1 936)	6 447	6 796	7 169
Service charges - sanitation revenue	2	10 143	9 309	7 992	5 385	5 385	5 385	3 597	11 005	11 599	12 237
Service charges - refuse revenue	2	6 077	6 835	7 277	5 854	5 854	5 854	1 473	6 742	7 106	7 497
Service charges - other											
Rental of facilities and equipment		1 018	209	660	753	753	753		793	836	882
Interest earned - external investments		170	41		5	5	5				
Interest earned - outstanding debtors		14 087	15 580	9 577	16 228	16 228	16 228		10 332	10 890	11 489
Dividends received											
Fines, penalties and forfeits		301	672	361	373	373	373		393	414	437
Licences and permits		2 712	3 396	1 499	2 605	2 605	2 605		2 743	2 891	3 050
Agency services					100	100	100		105	111	117
Transfers and subsidies		53 672	63 731	56 265	52 242	52 242	52 242		56 169	60 348	63 883
Other revenue	2	6 234	1 539	7 885	1 435	1 435	1 435	7 757	1 629	1 716	1 811
Gains on disposal of PPE				2 060							
Total Revenue (excluding capital transfers and contributions)		147 412	150 274	143 059	133 132	133 132	133 132	29 026	140 341	146 447	155 125
Expenditure By Type											
Employee related costs	2	45 155	52 331	49 550	50 965	50 965	50 965	44 234	68 213	79 780	85 221
Remuneration of councillors		4 561	4 739	6 685	5 875	5 875	5 875		6 470	6 923	7 408
Debt impairment	3	9 682	20 264	3 185	21 500	21 500	21 500		27 482	27 482	27 482
Depreciation & asset impairment	2	26 595	23 942	20 846	26 816	26 816	26 816	26 816	21 325	22 972	24 731
Finance charges		2 682	3 469	8 749	2 000	2 000	2 000		300	300	300
Bulk purchases	2	23 093	25 204	23 875	27 472	27 472	27 472	17 995	28 928	30 953	33 120
Other materials	8	5 375	5 536	4 222	6 875	6 875	6 875		3 901	3 573	3 880
Contracted services		2 217	2 756	3 166	28 713	28 713	28 713	4 743	10 089	12 027	12 335
Transfers and subsidies		6 499	7 519	5 248	-	-	-	-	-	-	-
Other expenditure	4, 5	51 305	55 133	33 681	11 216	11 216	11 216	39 079	9 431	4 859	4 172
Loss on disposal of PPE											
Total Expenditure		177 165	200 892	159 207	181 432	181 432	181 432	132 866	176 140	188 869	198 649
Surplus/(Deficit)		(29 752)	(50 617)	(16 148)	(48 300)	(48 300)	(48 300)	(103 840)	(35 799)	(42 423)	(43 523)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		23 149	23 390	8 785	15 897	15 897	15 897		19 462	19 696	20 341
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Education Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)											
Surplus/(Deficit) after capital transfers & contributions		(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(16 337)	(22 727)	(23 182)
Taxation											
Surplus/(Deficit) after taxation		(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(16 337)	(22 727)	(23 182)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(16 337)	(22 727)	(23 182)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(16 337)	(22 727)	(23 182)

b) A5 Multi -year and single –year capital appropriations by municipal vote and standard classification and associated funding by source.

Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - [Municipal Manager and Chief Executive]		-	-	-	-	-	-	-	-	-	-
Vote 2 - [Mayor and Council]		-	-	-	-	-	-	-	-	-	-
Vote 3 - [Budget and Treasury Office]		-	-	-	-	-	-	-	-	-	-
Vote 4 - [Community and Public Safety]		-	-	-	-	-	-	-	-	-	-
Vote 5 - [Water Distribution]		-	-	-	-	-	-	-	-	-	-
Vote 6 - [Roads Transport]		-	-	-	4 000	4 000	4 000	-	8 000	-	-
Vote 7 - [Administrative and Corporate Support]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [Waste Water Management]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [Energy Sources]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [Waste Management]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [Planning and Development]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	4 000	4 000	4 000	-	8 000	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - [Municipal Manager and Chief Executive]		-	-	-	-	-	-	-	-	-	-
Vote 2 - [Mayor and Council]		-	-	-	-	-	-	-	-	-	-
Vote 3 - [Budget and Treasury Office]		-	-	-	-	-	-	-	-	-	-
Vote 4 - [Community and Public Safety]		-	-	-	2 612	2 612	2 612	-	2 600	-	-
Vote 5 - [Water Distribution]		-	-	-	-	-	-	-	-	-	-
Vote 6 - [Roads Transport]		-	-	-	7 985	7 985	7 985	-	4 089	19 696	20 341
Vote 7 - [Administrative and Corporate Support]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [Waste Water Management]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [Energy Sources]		-	-	-	1 300	1 300	1 300	-	4 000	4 000	4 000
Vote 10 - [Waste Management]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [Planning and Development]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	11 897	11 897	11 897	-	10 689	23 696	24 341
Total Capital Expenditure - Vote		-	-	-	15 897	15 897	15 897	-	18 689	23 696	24 341
Capital Expenditure - Functional											
Governance and administration		480	1 121	1 119	-	-	-	-	-	-	-
Executive and council			35								
Finance and administration		480	1 086	1 119							
Internal audit											
Community and public safety		11 427	10 876	5 033	2 612	2 612	2 612	-	2 600	-	-
Community and social services		11 427	10 876	5 033	2 612	2 612	2 612	-	2 600	-	-
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		7 566	19 047	10 779	11 985	11 985	11 985	-	12 089	19 696	20 341
Planning and development			16								
Road transport		7 566	19 031	10 779	11 985	11 985	11 985	-	12 089	19 696	20 341
Environmental protection											
Trading services		2 724	4 344	-	1 300	1 300	1 300	-	4 000	4 000	4 000
Energy sources		1 631	4 344		1 300	1 300	1 300	-	4 000	4 000	4 000
Water management											
Waste water management											
Waste management		1 093									
Other											
Total Capital Expenditure - Functional	3	22 197	35 388	16 931	15 897	15 897	15 897	-	18 689	23 696	24 341
Funded by:											
National Government		21 717	35 388	11 898	15 897	15 897	15 897	-	18 689	23 696	24 341
Provincial Government				5 033							
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	21 717	35 388	16 931	15 897	15 897	15 897	-	18 689	23 696	24 341
Public contributions & donations	5										
Borrowing	6										
Internally generated funds		480									
Total Capital Funding	7	22 197	35 388	16 931	15 897	15 897	15 897	-	18 689	23 696	24 341

c) A6- Budgeted Financial Position (Assets and Liabilities)

Choose name from list - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
ASSETS											
Current assets											
Cash		384	1 068	560				58 138	600	642	687
Call investment deposits	1	–	50	–	–	–	–	–	–	–	–
Consumer debtors	1	28 361	33 544	40 879	19 902	19 902	19 902	56 914	56 308	43 740	46 802
Other debtors		14 271	39 451	25 250				8 084	8 084	8 650	9 256
Current portion of long-term receivables					63 399	63 399	63 399				
Inventory	2	50 427	50 782	52 932	58 399	58 399	58 399	50 080	52 932	56 637	60 602
Total current assets		93 442	124 896	119 621	141 700	141 700	141 700	173 217	117 924	109 670	117 347
Non current assets											
Long-term receivables											
Investments											
Investment property		25 558	24 270	26 537				26 537	26 537	28 395	30 382
Investment in Associate											
Property, plant and equipment	3	356 807	369 703	359 665	399 789	399 789	399 789	361 141	358 459	384 842	411 781
Agricultural											
Biological											
Intangible		920	1 422	1 229				1 132	1 035	1 107	1 185
Other non-current assets											
Total non current assets		383 285	395 395	387 431	399 789	399 789	399 789	388 810	386 031	414 343	443 348
TOTAL ASSETS		476 727	520 291	507 053	541 489	541 489	541 489	562 027	503 955	524 013	560 694
LIABILITIES											
Current liabilities											
Bank overdraft	1				10 000	10 000	10 000				
Borrowing	4	316	129	123	–	–	–	122	122	–	–
Consumer deposits		571	557	584	914	914	914	2 783	2 783	2 977	3 186
Trade and other payables	4	81 079	113 046	114 293	66 394	66 394	66 394	111 587	111 587	120 754	129 206
Provisions		6 119	6 350	19 470	6 388	6 388	6 388	4 218	4 218	4 514	4 830
Total current liabilities		88 085	120 081	134 470	83 696	83 696	83 696	118 710	118 710	128 245	137 222
Non current liabilities											
Borrowing		455	209	11	84 182	84 182	84 182	62	62	–	–
Provisions		18 532	21 321	4 965	11 651	11 651	11 651	32 187	36 934	6 864	7 344
Total non current liabilities		18 987	21 530	4 976	95 833	95 833	95 833	32 249	36 997	6 864	7 344
TOTAL LIABILITIES		107 071	141 611	139 446	179 529	179 529	179 529	150 959	155 707	135 109	144 566
NET ASSETS	5	369 655	378 680	367 607	361 960	361 960	361 960	411 068	348 248	388 905	416 128
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		369 655	378 680	367 607	361 960	361 960	361 960	411 068	348 248	388 905	416 128
Reserves	4	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	369 655	378 680	367 607	361 960	361 960	361 960	411 068	348 248	388 905	416 128

d) A7- Budgeted Cash Flow (Operating activities and Financing activities)

Choose name from list - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		8 146	7 761	9 358	8 176	8 176	8 176	5 507	8 446	8 902	9 391
Service charges		31 746	31 396	31 396	38 375	38 375	38 375	19 473	37 233	39 547	42 023
Other revenue		13 284	23 892	11 823	5 083	5 083	5 083	41 328	5 658	5 963	6 291
Government - operating	1	42 073	54 475	56 136	52 242	52 242	52 242	42 844	54 922	59 016	62 478
Government - capital	1	26 529	19 736	11 541	15 897	15 897	15 897	7 575	19 462	19 696	20 341
Interest		14 256	849	9 577	2 877	2 877	2 877	147	6 928	7 302	7 703
Dividends									-	-	-
Payments											
Suppliers and employees		(111 080)	(98 083)	(108 621)	(106 564)	(106 564)	(106 564)	(109 923)	(125 880)	(135 922)	(145 437)
Finance charges		(2 491)	(3 437)	(8 749)	(1 200)	(1 200)	(1 200)		(500)	(650)	(750)
Transfers and Grants	1								-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		22 463	36 589	12 462	14 885	14 885	14 885	6 950	6 268	3 853	2 041
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE				4 119					-	-	-
Decrease (Increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(22 197)	(35 388)	(16 931)	(15 897)	(15 897)	(15 897)	(7 321)	(18 600)	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(22 197)	(35 388)	(12 812)	(15 897)	(15 897)	(15 897)	(7 321)	(18 600)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing			(465)	(209)					-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(465)	(209)	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		266	735	(558)	(1 012)	(1 012)	(1 012)	(371)	(12 332)	3 853	2 041
Cash/cash equivalents at the year begin:	2							(558)	(929)	(13 261)	(9 409)
Cash/cash equivalents at the year end:	2	266	735	(558)	(1 012)	(1 012)	(1 012)	(929)	(13 261)	(9 409)	(7 368)

e) A8- Cash backed reserves

Choose name from list - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash and investments available											
Cash/cash equivalents at the year end	1	266	735	(558)	(1 012)	(1 012)	(1 012)	(929)	(13 261)	(9 409)	(7 368)
Other current investments > 90 days		118	384	1 119	(8 988)	(8 988)	(8 988)	59 068	13 861	10 051	8 055
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		384	1 119	560	(10 000)	(10 000)	(10 000)	58 138	600	642	687
Application of cash and investments											
Unspent conditional transfers		-	-	-	-	-	-	11 133	11 133	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	56 852	59 841	73 260	53 690	53 690	53 690	(52 206)	57 004	87 645	93 753
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		56 852	59 841	73 260	53 690	53 690	53 690	(41 073)	68 137	87 645	93 753
Surplus(shortfall)		(56 468)	(58 722)	(72 699)	(63 690)	(63 690)	(63 690)	99 211	(67 537)	(87 003)	(93 066)

f) A9- Asset Management

Choose name from list - Table A9 Asset Management

Choose name from list - Table A9 Asset Management											
R thousand	Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcomes	Audited Outcomes	Audited Outcomes	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CAPITAL EXPENDITURE											
1	Total New Assets		22 197	35 388	16 931	15 897	15 897	15 897	16 724	17 643	18 614
	Roads Infrastructure		7 566	19 031	10 779	11 985	11 985	11 985	12 608	13 302	14 033
	Storm water Infrastructure		—	—	—	—	—	—	—	—	—
	Electrical Infrastructure		1 631	4 344	—	1 300	1 300	1 300	1 368	1 443	1 522
	Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
	Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
	Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
	Rail Infrastructure		—	—	—	—	—	—	—	—	—
	Coastal Infrastructure		—	—	—	—	—	—	—	—	—
	Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
	Infrastructure		9 197	23 375	10 779	13 285	13 285	13 285	13 976	14 744	15 555
	Community Facilities		11 428	10 479	5 033	2 612	2 612	2 612	2 748	2 899	3 056
	Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
	Community Assets		11 428	10 479	5 033	2 612	2 612	2 612	2 748	2 899	3 056
	Heritage Assets		—	—	—	—	—	—	—	—	—
	Revenue Generating		—	—	—	—	—	—	—	—	—
	Non-revenue Generating		—	—	—	—	—	—	—	—	—
	Investment properties		1 534	874	1 119	—	—	—	—	—	—
	Operational Buildings		—	—	—	—	—	—	—	—	—
	Housing		—	—	—	—	—	—	—	—	—
	Other Assets		1 534	874	1 119	—	—	—	—	—	—
	Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
	Services		38	660	—	—	—	—	—	—	—
	Licences and Rights		—	—	—	—	—	—	—	—	—
	Intangible Assets		38	660	—	—	—	—	—	—	—
	Computer Equipment		—	—	—	—	—	—	—	—	—
	Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
	Machinery and Equipment		—	—	—	—	—	—	—	—	—
	Transport Assets		—	—	—	—	—	—	—	—	—
	Libraries		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—	
Total Renewal of Existing Assets											
2	Roads Infrastructure		—	—	—	—	—	—	—	—	—
	Storm water Infrastructure		—	—	—	—	—	—	—	—	—
	Electrical Infrastructure		—	—	—	—	—	—	—	—	—
	Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
	Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
	Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
	Rail Infrastructure		—	—	—	—	—	—	—	—	—
	Coastal Infrastructure		—	—	—	—	—	—	—	—	—
	Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
	Infrastructure		—	—	—	—	—	—	—	—	—
	Community Facilities		—	—	—	—	—	—	—	—	—
	Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
	Community Assets		—	—	—	—	—	—	—	—	—
	Heritage Assets		—	—	—	—	—	—	—	—	—
	Revenue Generating		—	—	—	—	—	—	—	—	—
	Non-revenue Generating		—	—	—	—	—	—	—	—	—
	Investment properties		—	—	—	—	—	—	—	—	—
	Operational Buildings		—	—	—	—	—	—	—	—	—
	Housing		—	—	—	—	—	—	—	—	—
	Other Assets		—	—	—	—	—	—	—	—	—
	Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
	Services		—	—	—	—	—	—	—	—	—
	Licences and Rights		—	—	—	—	—	—	—	—	—
	Intangible Assets		—	—	—	—	—	—	—	—	—
	Computer Equipment		—	—	—	—	—	—	—	—	—
	Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
	Machinery and Equipment		—	—	—	—	—	—	—	—	—
	Transport Assets		—	—	—	—	—	—	—	—	—
	Libraries		—	—	—	—	—	—	—	—	—
	Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Total Upgrading of Existing Assets											
6	Roads Infrastructure		—	—	—	—	—	—	—	—	—
	Storm water Infrastructure		—	—	—	—	—	—	—	—	—
	Electrical Infrastructure		—	—	—	—	—	—	—	—	—
	Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
	Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
	Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
	Rail Infrastructure		—	—	—	—	—	—	—	—	—
	Coastal Infrastructure		—	—	—	—	—	—	—	—	—
	Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
	Infrastructure		—	—	—	—	—	—	—	—	—
	Community Facilities		—	—	—	—	—	—	—	—	—
	Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
	Community Assets		—	—	—	—	—	—	—	—	—
	Heritage Assets		—	—	—	—	—	—	—	—	—
	Revenue Generating		—	—	—	—	—	—	—	—	—
	Non-revenue Generating		—	—	—	—	—	—	—	—	—
	Investment properties		—	—	—	—	—	—	—	—	—
	Operational Buildings		—	—	—	—	—	—	—	—	—
	Housing		—	—	—	—	—	—	—	—	—
	Other Assets		—	—	—	—	—	—	—	—	—
	Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
	Services		—	—	—	—	—	—	—	—	—
	Licences and Rights		—	—	—	—	—	—	—	—	—
	Intangible Assets		—	—	—	—	—	—	—	—	—
	Computer Equipment		—	—	—	—	—	—	—	—	—
	Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
	Machinery and Equipment		—	—	—	—	—	—	—	—	—
	Transport Assets		—	—	—	—	—	—	—	—	—
	Libraries		—	—	—	—	—	—	—	—	—
	Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Total Capital Expenditure											
4	Roads Infrastructure		7 566	19 031	10 779	11 985	11 985	11 985	12 608	13 302	14 033
	Storm water Infrastructure		—	—	—	—	—	—	—	—	—
	Electrical Infrastructure		1 631	4 344	—	1 300	1 300	1 300	1 368	1 443	1 522
	Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
	Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
	Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
	Rail Infrastructure		—	—	—	—	—	—	—	—	—
	Coastal Infrastructure		—	—	—	—	—	—	—	—	—
	Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
	Infrastructure		9 197	23 375	10 779	13 285	13 285	13 285	13 976	14 744	15 555
	Community Facilities		11 428	10 479	5 033	2 612	2 612	2 612	2 748	2 899	3 056
	Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
	Community Assets		11 428	10 479	5 033	2 612	2 612	2 612	2 748	2 899	3 056
	Heritage Assets		—	—	—	—	—	—	—	—	—
	Revenue Generating		—	—	—	—	—	—	—	—	—
	Non-revenue Generating		—	—	—	—	—	—	—	—	—
	Investment properties		—	—	—	—	—	—	—	—	—
	Operational Buildings		—	—	—	—	—	—	—	—	—
	Housing		—	—	—	—	—	—	—	—	—
	Other Assets		—	—	—	—	—	—	—	—	—
	Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
	Services		—	—	—	—	—	—	—	—	—
	Licences and Rights		—	—	—	—	—	—	—	—	—
	Intangible Assets		—	—	—	—	—	—	—	—	—
	Computer Equipment		—	—	—	—	—	—	—	—	—
	Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
	Machinery and Equipment		—	—	—	—	—	—	—	—	—
	Transport Assets		—	—	—	—	—	—	—	—	—
	Libraries		—	—	—	—	—	—	—	—	—
	Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Total ASSET REGISTER SUMMARY - PPE (WDV)											
5	ASSET REGISTER SUMMARY - PPE (WDV)		7 566	19 031	201 514	203 925	203 925	203 925	214 829	226 326	238 776
	Roads Infrastructure		—	—	—	—	—	—	—	—	—
	Storm water Infrastructure		—	—	—	—	—	—	—	—	—
	Electrical Infrastructure		1 631	4 344	15 047	15 263	15 263	15 263	16 057	16 940	17 872
	Water Supply Infrastructure		—	—	—	34 807	34 807	34 807	36 617	38 631	40 756
	Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
	Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
	Rail Infrastructure		—	—	—	—	—	—	—	—	—
	Coastal Infrastructure		—	—	—	—	—	—	—	—	—
	Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
	Infrastructure		9 197	23 375	216 561	253 995	253 995	253 995	267 203	281 699	297 404
	Community Facilities		11 428	10 479	139 743	43 934	43 934	43 934	46 218	48 760	51 442
	Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
	Community Assets		11 428	10 479	139 743	43 934	43 934	43 934	46 218	48 760	51 442
	Heritage Assets		—	—	—	—	—	—	—	—	—
	Revenue Generating		25 556	24 270	—	26 396	26 396	26 396	29 878	31 516	33 249
	Non-revenue Generating		—	—	—	—	—	—	—	—	—
	Investment properties		25 556	24 270	—	26 396	26 396	26 396	29 878	31 516	33 249
	Operational Buildings		139 856	140 081	2 242	3 872	3 872	3 872	4 073	4 297	4 533
	Housing		196 427	159 151	1 119	—	—	—	—	—	—
	Other Assets		356 783	334 232	3 367	3 872	3 872	3 872	4 073	4 297	4 533
	Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
	Services		920	1 426	1 229	69 591	69 591	69			

g) A10 – Basic Service Delivery Measurement

Choose name from list - Table A10 Basic service delivery measurement

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets	1									
Water:										
Piped water inside dwelling		3 699	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		8 208	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	2 656	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		14 563	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		529	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		529	-	-	-	-	-	-	-	-
Total number of households	5	15 092	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		9 994	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		1 653	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		11 647	-	-	-	-	-	-	-	-
Bucket toilet		58	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		1 250	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		1 308	-	-	-	-	-	-	-	-
Total number of households	5	12 955	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)		1 020	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		1 020	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	1 020	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week		7 725	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		7 725	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		5 106	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		991	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		6 097	-	-	-	-	-	-	-	-
Total number of households	5	13 822	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		9 150	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		9 150	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		9 150	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		9 150	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		-	-	-	2 623	2 623	2 623	1 989	2 096	2 212
Sanitation (free sanitation service to indigent households)		-	-	-	1 832	1 832	1 832	1 389	1 464	1 545
Electricity/other energy (50kwh per indigent household per month)		-	-	-	2 690	2 690	2 690	2 874	3 071	3 281
Refuse (removed once a week for indigent households)		-	-	-	1 884	1 884	1 884	1 421	1 498	1 580
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided		-	-	-	9 029	9 029	9 029	7 673	8 129	8 617
Highest level of free service provided per household										
Property rates (R v alue threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	2 979	2 979	2 979	4 375	4 612	4 865
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	-	-	-	2 979	2 979	2 979	4 375	4 612	4 865

PART 2 – SUPPORTING DOCUMENTATION

2.1 Overview of annual budget process

- IDP/ Budget process plan was tabled in council in August 2017
- Draft IDP and budget tabled to council in March 2018
- Stakeholder engagements held as follows;
 - Ward 3 on 09 May 2018, Amalia community hall, 11:00 AM
 - Ward 2,4,5,6,7,8,9 on 10 May 2018, Ipelegeng ext. 5 Community hall, 11:00 AM
 - Ward 1 on 11 May 2018, Migdol SASSA hall, 11:00 AM
 - Ward 1 on 11 May, Glaudina community hall at 14:00 PM
 - Business Chamber and Agri-forum S-Reneke on 15 May 2018, 08:00 AM, Municipal Boardroom
 - Ipelegeng Business Forum on 15 May 2018, 11:00 AM, Municipal Boardroom
- Final approval of the IDP and MTREF by council in May 2018
- Approval of SDBIP and performance agreements by council end of June 2018

2.1.1 Results of the engagements and new municipal priorities

- Refurbishment and extension of taxi rank
- Construction of taxi routes
- Street lighting (High Mass Lights)
- Access roads to graveyards to be paved
- Fencing of graveyards
- Replacement of sewer system
- Stand pipes installation
- Paving of internal roads in Ipelegeng township
- Land for emerging farmers
- Rehabilitation of roads in the Schweizer Reneke town
- General upgrading of existing road, sewer & water networks

2.2 Overview of alignment of annual budget with Integrated Development Plan

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process. Municipalities in South Africa need to utilize integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals.

A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its

overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area.

The IDP enables municipalities to make the best use of scarce resources and speed up service delivery. Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality. It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area.

Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities. The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2018/19 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 14 – Table 16 below presents the reconciliation of the IDP Strategic Objectives. In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above. In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years for infrastructure planning. This process is aimed at influencing the development path to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides

direction to the Municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

The 2018/19 MTREF has therefore been directly informed by the IDP revision process and the following tables MBRR Tables SA4-SA6 as outlined in Table 14 – 16 below provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organizational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly at each quarter, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

Choose name from list - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Vote 1 -Technical Services										
Function 1 - (Roads)										
Sub-function 1 - (Construction)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

2.4 Overview of budget funding

Choose name from list Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	266	735	(558)	(1 012)	(1 012)	(1 012)	(929)	(13 261)	(9 409)	(7 368)
Cash + investments at the yr end less applications - R'000	18(1)b	2	(56 468)	(58 722)	(72 699)	(63 690)	(63 690)	(63 690)	99 211	(67 537)	(87 003)	(93 066)
Cash year end/monthly employee/supplier payments	18(1)b	3	0.0	0.1	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(1.2)	(0.8)	(0.6)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(6 604)	(27 227)	(7 363)	(32 403)	(32 403)	(32 403)	(103 840)	(723)	544	(417)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(11.9%)	(6.5%)	(14.3%)	(6.0%)	(6.0%)	(70.2%)	8.8%	(4.4%)	0.1%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	56.8%	72.9%	62.0%	63.8%	63.8%	63.8%	228.4%	61.0%	63.2%	63.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	14.0%	31.1%	4.9%	36.2%	36.2%	36.2%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c,19	8	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	99.5%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Gov't legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	71.2%	(9.4%)	26.0%	0.0%	0.0%	(22.0%)	(22.7%)	(18.6%)	7.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.5%	0.0%	0.0%	1.5%	1.5%	1.5%	1.7%	1.8%	1.7%	1.7%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

2.5 Disclosure of salaries; allowances and other benefits

Choose name from list - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages								4 518	4 803	5 105
Pension and UIF Contributions								387	411	437
Medical Aid Contributions								100	106	113
Motor Vehicle Allowance								860	914	971
Cellphone Allowance								557	592	629
Housing Allowances								-	-	-
Other benefits and allowances								49	52	56
Sub Total - Councillors		-	-	-	-	-	-	6 470	6 878	7 311
% increase	4		-	-	-	-	-	-	6.3%	6.3%
Senior Managers of the Municipality	2									
Basic Salaries and Wages								3 422	3 637	3 867
Pension and UIF Contributions								38	41	43
Medical Aid Contributions								-	-	-
Overtime								-	-	-
Performance Bonus								671	713	758
Motor Vehicle Allowance	3							1 198	1 273	1 354
Cellphone Allowance	3							34	36	38
Housing Allowances	3							-	-	-
Other benefits and allowances	3							183	195	207
Payments in lieu of leave								-	-	-
Long service awards								-	-	-
Post-retirement benefit obligations	6							-	-	-
Sub Total - Senior Managers of Municipality		-	-	-	-	-	-	5 546	5 895	6 267
% increase	4		-	-	-	-	-	-	6.3%	6.3%
Other Municipal Staff										
Basic Salaries and Wages								37 677	40 051	42 574
Pension and UIF Contributions								8 622	9 165	9 743
Medical Aid Contributions								11 125	11 826	12 571
Overtime								1 330	1 413	1 502
Performance Bonus								-	-	-
Motor Vehicle Allowance	3							5 045	5 363	5 701
Cellphone Allowance	3							236	251	267
Housing Allowances	3							730	776	824
Other benefits and allowances	3							5 010	5 326	5 662
Payments in lieu of leave								-	-	-
Long service awards								-	-	-
Post-retirement benefit obligations	6							-	-	-
Sub Total - Other Municipal Staff		-	-	-	-	-	-	69 775	74 171	78 844
% increase	4		-	-	-	-	-	-	6.3%	6.3%
Total Parent Municipality		-	-	-	-	-	-	81 791	86 944	92 422

2.6 Monthly targets for revenue, expenditure and cash flow

Choose name from list - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description		Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source																	
Property rates			1 050	1 050	1 050	1 050	1 050	1 050	1 050	1 050	1 050	1 050	1 050	1 050	12 605	13 286	14 017
Service charges - electricity revenue			2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	31 378	30 454	32 537
Service charges - water revenue			537	537	537	537	537	537	537	537	537	537	537	537	6 447	6 796	7 169
Service charges - sanitation revenue			917	917	917	917	917	917	917	917	917	917	917	917	11 005	11 599	12 237
Service charges - refuse revenue			562	562	562	562	562	562	562	562	562	562	562	562	6 742	7 106	7 497
Service charges - other			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment			66	66	66	66	66	66	66	66	66	66	66	66	793	836	882
Interest earned - external investments			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors			861	861	861	861	861	861	861	861	861	861	861	861	10 332	10 890	11 489
Dividends received			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits			33	33	33	33	33	33	33	33	33	33	33	33	393	414	437
Licences and permits			229	229	229	229	229	229	229	229	229	229	229	229	2 743	2 891	3 050
Agency services			9	9	9	9	9	9	9	9	9	9	9	9	105	111	117
Transfers and subsidies			4 681	4 681	4 681	4 681	4 681	4 681	4 681	4 681	4 681	4 681	4 681	4 681	56 169	60 348	63 883
Other revenue			136	136	136	136	136	136	136	136	136	136	136	136	1 629	1 716	1 811
Gains on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)			11 695	11 695	11 695	11 695	11 695	11 695	11 695	11 695	11 695	11 695	11 695	11 695	140 341	146 447	155 125
Expenditure By Type																	
Employee related costs			6 277	6 277	6 277	6 277	6 277	6 277	6 277	6 277	6 277	6 277	6 277	6 277	75 321	79 780	85 221
Remuneration of councillors			539	539	539	539	539	539	539	539	539	539	539	539	6 470	6 923	7 408
Debt impairment			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment			1 777	1 777	1 777	1 777	1 777	1 777	1 777	1 777	1 777	1 777	1 777	1 777	21 325	22 972	24 731
Finance charges			25	25	25	25	25	25	25	25	25	25	25	25	300	300	300
Bulk purchases			2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	28 928	30 953	33 120
Other materials			325	325	325	325	325	325	325	325	325	325	325	325	3 901	3 573	3 880
Contracted services			841	841	841	841	841	841	841	841	841	841	841	841	10 089	12 027	12 335
Transfers and subsidies			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure			786	786	786	786	786	786	786	786	786	786	786	786	9 431	4 859	4 172
Loss on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure			12 981	12 981	12 981	12 981	12 981	12 981	12 981	12 981	12 981	12 981	12 981	12 981	155 766	161 387	171 166
Surplus/(Deficit)			(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(15 425)	(14 940)	(16 041)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)															19 462	19 696	20 341
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)															-	-	-
Transfers and subsidies - capital (in-kind - all)															-	-	-
Surplus/(Deficit) after capital transfers & contributions			(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	18 177	4 037	4 756	4 300
Taxation															-	-	-
Attributable to minorities															-	-	-
Share of surplus/ (deficit) of associate															-	-	-
Surplus/(Deficit)	1		(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	(1 285)	18 177	4 037	4 756	4 300

2.7 Overview budget related policies

1. The Municipality's budgeting process is guided and governed by relevant legislation, frameworks. Additional to the MFMA and the Municipal Budget and Reporting Regulations, the following policies are used to guide the budget process: -
2. **2.4.1 Asset Management Policy**
3. The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance. In addition, the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).
4. A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the revenue base.
5. **2.4.2 Budget Policy**
6. The budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and
7. achieves its developmental goals, the mid-year review and adjustment budget process will be utilized to ensure that underperforming functions are identified and funds redirected to performing functions.
8. **2.4.3 Supply Chain Management Policy**
9. The Supply Chain Management Policy was adopted by Council in 2016. The policy is continually revised to incorporate amending legislation.

10. 2.4.4 Investment & Cash Management Policy

11. The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves.

2.8 Overview of budget assumptions

Many municipalities continue to face institutional challenges and mismanagement that result in service delivery failures, bad debt accumulation, limited cash flows and consequent non-payment of creditors. Eskom and water boards are owed the greater percentage of the total municipal creditors; and protracted non-payment undermines the financial sustainability of these state-owned entities.

The non-payment of creditors is a symptom of underlying problems which include, among others, weaknesses in revenue collection and underinvestment in asset maintenance and renewal, which compromises the reliability of delivering basic services. There are too many municipalities that fail to adopt credible budgets and this means that even if they adhere to their budgeted plans, they will not be financially sustainable.

In order to achieve financial sustainability, municipalities must demonstrate the political will to implement the changes required to improve their performance. Where municipalities consistently fail to deliver their mandates, the Constitution provides for provincial and/or national governments to intervene.

Government will introduce a conditional grant in the outer years of the 2018 MTEF to provide support to municipalities facing financial crises. This grant will only be accessible to municipalities that have demonstrated the political will to implement reforms necessary to turn themselves around. The grant will be designed and consulted during 2018.

2.9 Expenditure on allocations and grant programmes

Choose name from list - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		38 715	–	–	51 879	51 879	51 879	54 019	58 015	62 773
Local Government Equitable Share		33 675			47 502	47 502	47 502	50 506	55 135	59 461
Municipal Systems Improvement		890			787	787	787	–	–	–
Finance Management		1 650			2 345	2 345	2 345	2 415	2 880	3 312
EPWP Incentive		2 500			1 245	1 245	1 245	1 098	–	–
Other transfers/grants [insert description]										
Provincial Government:		550	–	–	1 150	1 150	1 150	1 200	1 298	–
Sport and Recreation		550			1 150	1 150	1 150	1 200	1 298	–
Other transfers/grants [insert description]										
District Municipality:		170	–	–	–	–	–	–	–	–
FBS		170								
Other grant providers:		370	–	–	–	–	–	–	–	–
LG Seta		28								
NGO		343								
Total operating expenditure of Transfers and Grants		39 805	–	–	53 029	53 029	53 029	55 219	59 313	62 773
Capital expenditure of Transfers and Grants										
National Government:		13 446	–	–	15 897	15 897	15 897	19 462	19 696	20 341
Municipal Infrastructure Grant		13 446			15 897	15 897	15 897	15 462	15 696	16 341
Energy Efficiency and Demand Side Management								4 000	4 000	4 000
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]										
District Municipality:		–	–	–	–	–	–	–	–	–
FBS										
Other grant providers:		–	–	–	–	–	–	–	–	–
LG Seta										
Total capital expenditure of Transfers and Grants		13 446	–	–	15 897	15 897	15 897	19 462	19 696	20 341
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		53 251	–	–	68 926	68 926	68 926	74 681	79 009	83 114

2.10 Allocations and grants made by the municipality

Choose name from list - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Insert description</i>											
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
Transfers and Grants											
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Payments to service providers</i>	2	6 499	7 519	5 248							
Total Non-Cash Transfers To Entities/Ems'		6 499	7 519	5 248	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Insert description</i>	3										
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
<i>Insert description</i>	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Insert description</i>	5										
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		6 499	7 519	5 248	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	6 499	7 519	5 248	-	-	-	-	-	-	-

2.11 Capital expenditure details

Choose name from list - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2018/19 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location	New or renewal
R thousand	4			2	6	3	3	5								
Parent municipality: List all capital projects grouped by Municipal Vote																
Nooitgedacht access roads					Yes	Roads Infrastructure	Roads				2 000	2 000	-			
Ipelegeng Ex18 access roads					Yes	Roads Infrastructure	Roads					4 089	3 911			
Ipelegeng roads and storm water phase 1					Yes	Roads Infrastructure	Roads				2 000	6 000				
High mass street lights in various wards					Yes	Electrical Infrastructure	LV Networks				2 100					
Fencing of graveyards in Molatswaneng / Amalia					Yes	Community Facilities	Cemeteries/Crematoria					2 600				
Fencing of graveyards in Migdol / Gaudine					Yes	Community Facilities	Cemeteries/Crematoria				2 600					
Retrofitting of lights					Yes	Electrical Infrastructure	LV Networks				-	4 000	4 000	4 000		
Road networks					Yes	Roads Infrastructure	Roads						15 785	20 341		
Parent Capital expenditure	1										8 700	18 689	23 696	24 341		
Entities: List all capital projects grouped by Entity																
Entity A Water project A																
Entity B Electricity project B																
Entity Capital expenditure										-	-	-	-	-		
Total Capital expenditure										-	8 700	18 689	23 696	24 341		

2.12 Annual budgets and service delivery agreements – municipal entities and other external mechanism

Choose name from list - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand

2.13 Contracts having future budgetary implications

Choose name from list - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework			Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Entities:														
Revenue Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

2.14 Annual budgets of municipal entities attached to the municipalities annual budget

- No entities

2.15 Other supporting documents

N/A

2.16 Municipal managers quality certificate

I, MJ RATLHOGO, Acting Municipal Manger of Mamusa Local Municipality hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and Regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Print Name: MJ RATLHOGO

Acting Municipal Manager of MAMUSA LOCAL MUNICIPALITY

Signature : _____

Date : _____